

CITY OF TIGARD, OREGON

RESOLUTION NO. 02-45

A RESOLUTION ESTABLISHING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 25
(CARMEN STREET)

WHEREAS, the City has initiated the Neighborhood Sewer Extension Program to extend public sewers and recover costs through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, the City Engineer has submitted a report describing the improvements, the area to be included in the Reimbursement District, the estimated costs, a method for spreading the cost among the parcels within the District, and a recommendation for an annual fee adjustment; and

WHEREAS, the property owners within the proposed district have been notified of a public hearing in accordance with TMC 13.09.060 and a public hearing was conducted in accordance with TMC 13.09.050; and

WHEREAS, the City Council has determined that the formation of a Reimbursement District as recommended by the City Engineer is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The City Engineer's report titled "Sanitary Sewer Reimbursement District No. 25", attached hereto as Exhibit A, is hereby approved.

SECTION 2: A Reimbursement District is hereby established in accordance with TMC Chapter 13.09. The District shall be the area shown and described on Exhibit B. The District shall be known as "Sanitary Sewer Reimbursement District No. 25, (Carmen Street)."

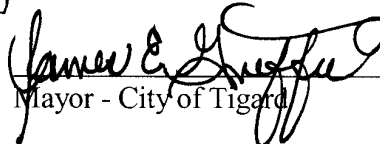
SECTION 3: Payment of the reimbursement fee as shown in Exhibit A is a precondition of receiving City permits applicable to development of each parcel within the Reimbursement District as provided for in TMC 13.09.110.

SECTION 4: An annual fee adjustment, at a rate recommended by the Finance Director, shall be applied to the Reimbursement Fee.

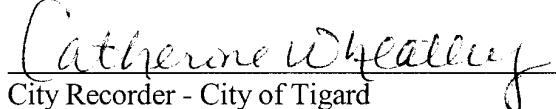
SECTION 5: The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address, in accordance with TMC 13.09.090.

SECTION 6: This resolution is effective immediately upon passage.

PASSED: This 9th day of July 2002.


Mayor - City of Tigard

ATTEST:


City Recorder - City of Tigard

i:\citywide\res\reim-25 (carmen) formation.doc

RESOLUTION NO. 02-45

Exhibit A
City Engineer's Report
Sanitary Sewer Reimbursement District No. 25 (SW Carmen Street)

Background

This project will be constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program the City of Tigard would install public sewers to each lot within a project area. At the time the property owner connects to the sewer, the owner would pay a connection fee of \$2,335.00 and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

Project Area - Zone of Benefit

An existing sanitary sewer line is located in SW 121st Avenue as shown on Exhibit Map B. This line from would be extended east along SW Carmen Street serving seventeen lots.

Cost

The estimated cost for the sanitary sewer construction is \$102,700. Engineering and inspection fees amount to \$13,860 (13.5%) as defined in TMC 13.09.040(1). The estimated total project cost is \$116,560. This entire amount should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay an additional \$2,335 connection and inspection fee when connection to the public line is made. All owners will be responsible for all plumbing costs required for work done on private property.

Reimbursement Rate

All properties in this area are zoned R-4.5 and have similar lot sizes as can be seen in Exhibit Map B. Therefore, it is recommended that the total cost of the project be divided equally among the seventeen properties included in the reimbursement district. Resolution 01-46 limits this fee to \$6,000 to the extent

that is does not exceed \$15,000 per owner for connections completed within three years of final approval of the City Engineer's Report.

Other reimbursement methods include basing the proportional share upon the square footage of each property or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

Each property owner's estimated fair share of the public sewer line is \$6,860. Each owner's fair share would be limited to \$6,000 to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000.

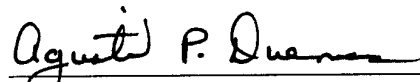
Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

Recommendation

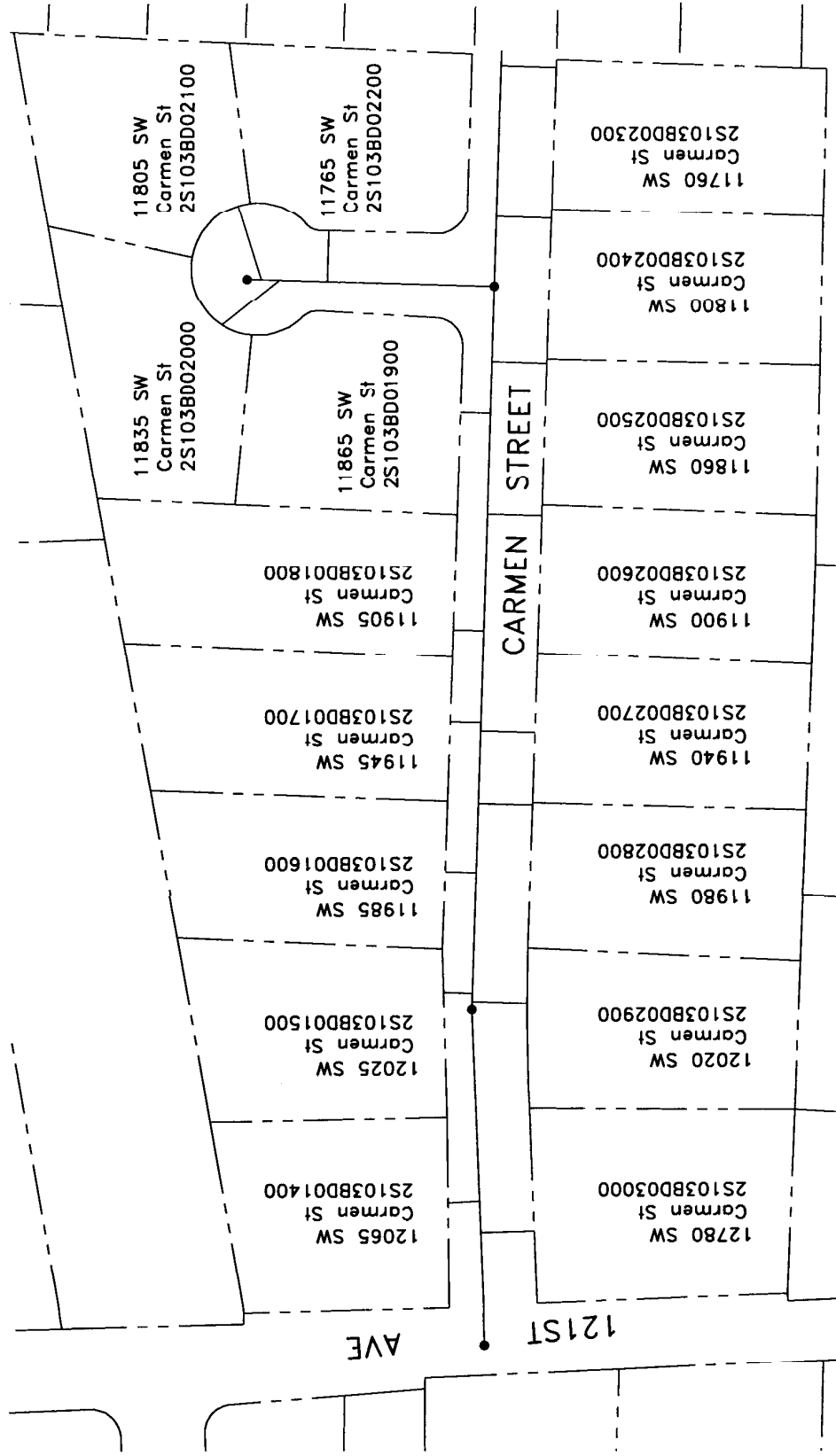
It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in the Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted June 24, 2002



AGUSTIN P. DUENAS, P.E.
City Engineer

A PORTION OF THE SE 1/4 OF THE NW 1/4 SECTION 03 T2S R1W W.M.



NOTE
ALL PROPERTIES IN THE REIMBURSEMENT
DISTRICT ARE ZONED R4.5

EXHIBIT B
NTS